



**EXHIBIT
C-1**

July 23, 2014

Mr. Robert E. Ogle
1221 McKinney St., Suite 2850
Houston TX 770010

Re: LTHM Houston – Operations, LLC (Case No. 14-33899)

Dear Mr. Ogle:

Please allow this letter to formalize the Engagement Agreement between you, Robert E. Ogle, the duly appointed Chapter 11 Trustee in the case of LTHM Houston – Operations, LLC dba St. Anthony's Hospital ("Client"), on the one hand, and The Claro Group, LLC ("Claro" or "Consultants"), on the other hand, concerning services to be performed by Consultants in connection with the matter described more fully in paragraph A below ("Engagement").

A. Scope of the Engagement ("Engagement") - Accountant, Forensic Accountant, Financial Advisor and Consultant

Client hereby employs Claro in connection with Robert E. Ogle's appointment as Chapter 11 Trustee in the case of LTHM Houston – Operations, LLC dba St. Anthony's Hospital. Claro understands that Client is interested in retaining Claro to provide him accounting, forensic accounting, financial advisory and consulting services in the matter of LTHM Houston – Operations, LLC dba St. Anthony's Hospital, Case No. 14-33899 ("Bankruptcy") pending in the United States Bankruptcy Court for the Southern District of Texas ("Bankruptcy Court"). Claro further understands that Client is interested in obtaining objective and independent analysis in connection with this matter. Claro will report to Client verbally from time to time, and at Client's direction, on the progress of the work and preliminary findings. Client's agreement to employ Claro is subject to Bankruptcy Court approval.

The individual members of Claro's team will be selected from Claro's resources to provide the range and level of expertise necessary to achieve the project objectives. Douglas J. Brickley will be your principal contact for the duration of the Engagement and will act as the lead consultant and adviser in this Engagement.

Claro will perform those services or tasks Client requests which are within our scope or practice, including without limitation those services set forth in the application to engage Claro to be filed by Client in the Bankruptcy Case ("Services"). Please keep in mind that, to the extent Client asks Claro to reach conclusions or form opinions, Claro is obligated to do so without regard to the impact that such conclusions may have upon the Engagement. Client agrees to comply with all of

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Claro's reasonable requests and to provide Claro timely access to all information and locations reasonably necessary to our performance of the Engagement.

Claro's Services are intended solely for Client's use in connection with the purposes specified in the Engagement and should not be used or relied upon for any other purpose. Any written work product Claro prepares for Client is to be used solely for purposes of this Engagement and may not be published or used, in whole or in part, for any other purpose without Claro's written permission.

It is understood and agreed that Claro is not providing legal services, a legal opinion, actuarial services, or public adjusting services to Client or any other person or entity on any matters encompassed by this Agreement or otherwise. Claro is a management consulting firm and not a CPA firm, and does not provide attest services, audits or other engagements in accordance with the AICPA Statements on Auditing Standards. Any accounting related services that Claro or its professionals may provide Client will be in Claro's role as business advisor to Client. Claro will not be auditing any financial statements or performing attest procedures with respect to information in conjunction with this Engagement. Consultants' Services are not designed; nor should they be relied upon, to identify weaknesses in internal controls, financial statement errors, irregularities, illegal acts or disclosure deficiencies.

The effective date of the engagement will be July 23, 2014.

B. Fee Agreement

Client shall compensate Consultants for services provided, which shall include Consultants' fees, Claro backup support hourly fees, computer charges and reimbursable costs and expenses. Consultants' fees range from \$90 to \$495 per hour. Attached is **Exhibit 1** reflecting the current rate structure table. Hourly rates may change in the future. Douglas J. Brickley's rate is \$495.00 per hour. Claro understands that it will send its invoices in this matter to your attention for payment. In addition to the hourly professional fees, Client shall also pay all reasonable out-of-pocket disbursements, costs and expenses incurred by Consultants and its sub-consultants in connection with the services described herein. Claro understands, agrees and accepts that Client cannot pay any invoice of Claro without Claro applying to the Bankruptcy Court and obtaining an order approving said fees and expenses. All fees and expenses of Claro are subject to Bankruptcy Court approval.

Any estimate of anticipated fees for services that may be provided to Client prior to or during the course of the work is Claro's best estimate of the effort that will be required to complete the services based on the information available to Claro at the time. Under no circumstances shall it be deemed a maximum fee or a fixed price.

C. Compensation for Related Matters

The scope of Consultants' Services is limited to the services set forth in paragraph A. In the event Client desires to utilize Consultants in connection with any other matter, related or not, Client and Consultants shall agree separately as to the terms of any such engagement.

D. Consultants' Indemnity and Limitation of Liability

Claro's Engagement with Client is not intended to shift risk normally borne by Client to Claro. Claro will not be liable for any special, consequential, incidental, indirect or exemplary damages or loss (nor any lost profits, savings or business opportunity). Further, Claro's liability relating to this Engagement will in no event exceed an amount equal to the fees Claro receives from Client for the portion of the Engagement giving rise to such liability; however, the provisions of this section will not apply to the extent a claim arises out of Claro's gross negligence or willful misconduct.

Neither Party shall be liable in damages or have the right to terminate this Agreement for any delay or default in performing hereunder if such delay or default is caused by conditions beyond its control including, but not limited to Acts of God, Government restrictions, wars, insurrections and/or any other cause beyond the reasonable control of the Party whose performance is affected.

In the event Consultants are requested pursuant to subpoena or other legal process to produce any documents or to provide testimony relating to engagements for Client in judicial or administrative proceedings to which Consultants are not a party, Client shall reimburse Consultants at standard billing rates for all professional time and expenses, including reasonable attorneys' fees, incurred in preparing for and responding to requests for documents and providing testimony.

E. Confidentiality

With respect to any information supplied in connection with this Engagement and designated by either Claro or Client as confidential, or which the other should reasonably believe is confidential based on the subject matter or the circumstances of its disclosure, the other party agrees to protect the confidential information in a reasonable and appropriate manner, and use confidential information only to perform its obligations under this Engagement and for no other purpose. This will not apply to information which is: (i) publicly known, (ii) already known to the recipient, (iii) lawfully disclosed by a third party, (iv) independently developed or (v) disclosed pursuant to legal requirement or order.

Confidential Information made available hereunder, including copies thereof, shall be returned or destroyed upon request by the disclosing party; provided that the receiving party may retain other archival copies for recordkeeping and quality assurance purposes and receiver shall make no unauthorized use of such copies.

F. Miscellaneous Matters

Claro is an independent contractor and not Client's employee, agent, joint venture or partner, and will determine the method, details and means of performing Consultant's Services. Claro assumes full and sole responsibility for the payment of all compensation and expenses of its employees and for all of its state and federal income tax, unemployment insurance, Social Security and other applicable employee withholdings.

Claro's fees and payment terms are set out above. Those fees do not include taxes and other governmental charges (which will be separately identified in our invoices). Claro reserves the right to suspend services if invoices are not timely paid, in which event Claro will not be liable for any resulting loss, damage or expense connected with such suspension,

Claro will bill for expenses on a monthly basis and will provide sufficient detail identifying expenses incurred. In some circumstances, bills may be sent more frequently. Claro's billing statements shall be paid within five (5) days after the entry of an order approving the fees and expenses therein. Client agrees that it will review Consultants' statement upon receipt and will advise Consultants of any objection to or dispute with the statement within 30 days of receipt. In the event the Client disputes part of Consultants' bill, the undisputed part shall be paid as approved by the Bankruptcy Court. Consultants shall be entitled to recover their attorneys' fees and costs incurred in enforcing this Agreement.

Expenses shall include all reasonable out-of-pocket costs incurred in connection with the services provided on this engagement (e.g., airfare, hotel, car rental, copying of documents, telephone calls, postage and shipping, etc.). Airfare shall be booked in coach class for travel originating and ending in North America and business class for international travel. Consultants agree to present a reasonably itemized statement of such expenses, and shall provide copies of original invoice or other documentation upon request.

Claro is engaged by many other companies and individuals on a variety of matters. Claro's determination of conflicts is based on the substance of the work to be performed on an engagement as opposed to the parties involved. It is possible that some of Claro's past, present or future clients will have disputes with and other matters relating to Client during the course of and subsequent to this Engagement. Claro reserves the right to accept engagements with other parties consistent with internal, prior practices, and will not be required to advise Client of such engagements in the future. If appropriate, Claro will institute procedures to protect the confidentiality of information provided by Client on this Engagement. Client's Engagement of Claro is expressly conditioned on Client's agreement not to use the fact of Claro's current or previous engagement by any opposing client in other matters as a means of enhancing or diminishing Claro's credibility in conjunction with any appearance before a trier of fact.

If any portion of this Agreement is found invalid, such finding shall not affect the enforceability of the remainder hereof, and such portion shall be revised to reflect our mutual intention.

This Engagement letter constitutes the entire understanding and agreement between Claro and Client with respect to the services described above, supersedes all prior oral and written communications between us, and may be amended, modified or changed only in writing when signed by both parties.

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G. Dispute Resolution

The Parties further desire to create a mechanism that provides for the prompt, professional and equitable resolution of any issues that may arise in connection with the Consultants Services and this Agreement and, accordingly, have adopted the following mechanism to promote the prompt, fair and equitable resolution of such issues. Should any dispute arise concerning any aspect of this Agreement, the Parties shall each select a senior executive or administrative officer to represent the respective Parties in a good faith effort to resolve any such dispute. If such dispute is not resolved within thirty (30) days or such longer period as the Parties may agree in writing, the Parties agree to submit the dispute to the Bankruptcy Court for the Southern District of Texas for resolution.

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas without giving effect to conflict of law rules. Except as may be required by law, neither party nor any arbitrator may disclose the existence, content or results of any arbitration hereunder without the prior written consent of both parties.

H. Termination

Client may terminate this Agreement for convenience at any time on 15 days' prior written notice to Claro. Claro may terminate this Agreement for convenience at any time on 30 days' prior written notice to Client. Claro may terminate this Agreement if, within 15 days' notice, Client fails to cure a material breach of this Agreement including in the event of non-payment of amounts due. Further, Claro reserves the right to terminate the Agreement at any time, upon providing written notice to Client, if conflicts of interest arise or become known to Claro that, in its sole judgment would impair its ability to perform the Forensic Accountants and Advisors objectively. To the extent Client terminates this Agreement for convenience, Client will pay Claro for all services rendered, expenses incurred or commitments made by Claro to the effective date of termination. To the extent Client terminates this Agreement for breach, Client will pay Claro for all conforming services rendered and reasonable expenses incurred by Claro to the effective date of the termination. The terms of this Agreement which relate to confidentiality, ownership and use, limitations of liability and indemnification and payment obligations shall survive its expiration or termination.

Please indicate Client agreement to these terms by signing and returning to Claro the enclosed copy of this letter. We appreciate the opportunity to be of service to you and look forward to working together on this project.

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Very truly yours,
The Claro Group, LLC


Douglas J. Brickley

UNDERSTOOD AND AGREED:

Robert E. Ogle, Chapter 11 Trustee for LTHM Houston – Operations, LLC
dba St. Anthony's Hospital

By: _____

Title: _____

Date: _____

**Exhibit 1****HOURLY RATE STRUCTURE**

Compensation for this engagement will be based upon the time incurred providing the services, multiplied by our standard hourly rates. Hourly rates may change in the future. The rates are summarized as follows:

	Hourly Rate
Managing Directors	\$450 - \$495
Directors/Senior Advisors	\$350 - \$440
Managers/Sr. Managers	\$250 - \$350
Analysts/Senior Consultants	\$150 - \$295
Admin	\$90 - \$125